

IN THE HOUSE OF REPRESENTATIVES.

JANUARY 6, 1865.

Read twice, ordered to be printed, and referred to the Committee of Ways and Means.

Mr. STEVENS, on leave, introduced the following bill:

A BILL

To amend an act entitled "An act to provide internal revenue to support the government, to pay interest on the public debt, and for other purposes," passed June thirty, eighteen hundred and sixty-four.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That any person, firm, company, or corporation now engaged
4 in the business of selling leaf tobacco, or any other person
5 who shall at the time of the passage of this act have in his
6 or their possession, or under his or their control, any leaf
7 tobacco which may either have been bought by him or them
8 with the intention of selling the same again, or which may
9 have been bought by him or them for the purpose of being
10 manufactured either by himself, themselves, or by others, or
11 bought by or consigned to him or them for the purpose of
12 being sold, or of being shipped to persons without the United

13 States, or which may be held by him or them for the pur-
14 pose of inspection or storage, or for any other purpose what-
15 ever, shall be, and hereby is, required forthwith, after the
16 passage of this act, to make out and deliver to the assessor
17 of the assessment district in which he or they shall do busi-
18 ness, a just and true statement and inventory of the number
19 of hogsheads, tierces, barrels, cases, bales, or other packages,
20 and if loose and not packed, the number of pounds of such
21 tobacco owned or held by him or them, or in his or their
22 possession, or under his or their control, for any purpose
23 whatever, on the day on which this act shall take effect;
24 which statement and inventory shall also state in what par-
25 ticular place the said tobacco is situated, placed, or stored, in
26 whose possession the same shall be, and who is the owner
27 thereof, and if stored or consigned, who was the storer or
28 consignee thereof at the time the same was stored or con-
29 signed, and shall be verified by the oath or affirmation of
30 such person or persons in such manner and form as shall be
31 prescribed by the Commissioner of Internal Revenue.

1 SEC. 2. *And be it further enacted*, That any person,
2 firm, company, or corporation engaged either in the inspec-
3 tion or storage of leaf tobacco who shall have in his or their
4 possession, or under his or their control, any leaf tobacco for
5 the purpose of inspection or for storage, and any person,
6 firm, company, or corporation who shall own, or have in his

7 or their possession, or under his or their control, any leaf
8 tobacco in any hogshead, tierce, barrel, case, bale, or other
9 original package for sale either for himself or themselves, or
10 which shall be held by him or them on consignment to be
11 sold for others, or for the purpose of being shipped or for-
12 warded to any foreign country, or for any purpose other than
13 that mentioned in this or the preceding section, shall, from
14 and after the passage of this act, be prohibited from parting
15 with the possession or removing said leaf tobacco from the
16 place where the same shall be on the day of the passage of
17 this act for any purpose whatever until an application shall
18 have been made by him or them and a permit for such pur-
19 pose shall have been obtained from the assessor of the assess-
20 ment district in which such tobacco shall then be, in the man-
21 ner hereinafter provided for.

1 SEC. 3. *And be it further enacted,* That any person,
2 firm, company, or corporation who shall be engaged in the
3 manufacture of tobacco in any form, and every person, firm,
4 company, or corporation who shall be engaged in the selling
5 of leaf tobacco in small quantities, or in any quantity less than
6 the original package, or by retail, shall, and hereby are re-
7 quired to pay, the tax hereinafter imposed and provided for
8 on every pound of such tobacco owned or held by him or
9 them, or which may be in his or their possession or on his or
10 their premises for manufacture or sale, immediately after the
11 passage of this act.

1 SEC. 4. *And be it further enacted,* That the owners,
2 proprietors, or lessees of any building or buildings known as
3 tobacco inspection or tobacco warehouses, in which leaf to-
4 bacco shall have been heretofore inspected or stored, within
5 the cities of New York and Brooklyn, in the State of New
6 York; Philadelphia, in the State of Pennsylvania; Baltimore,
7 in the State of Maryland; Cincinnati, in the State of Ohio;
8 Louisville and Paducah, in the State of Kentucky; and Saint
9 Louis, in the State of Missouri, or in any other places, may
10 make application to the collector of the district in which said
11 building may be, to have any such building or warehouse
12 declared to be a bonded warehouse, in conformity with such
13 regulations, as to security and otherwise, as the Secretary of
14 the Treasury may prescribe; and such warehouse, when ap-
15 proved, is hereby declared a bonded warehouse of the United
16 States, and shall be used only for storing leaf tobacco, and to
17 be under the custody of an officer to be appointed by the
18 Secretary of the Treasury for the purpose, and who shall
19 have the oversight and custody, for the purposes of this act,
20 of all the leaf tobacco which may be received at or dis-
21 charged from such inspection or other warehouse, the amount
22 of the services of which officer shall be fixed by the Secretary
23 of the Treasury, and shall be borne and paid by the proprie-
24 tor or proprietors of such inspection or other ware-
25 house as hereinafter mentioned; that it shall be

26 the duty of such officer to keep a regular and faithful
27 account and record of all leaf tobacco that may come to such
28 inspection or other warehouse, or which may leave or be re-
29 moved from the same, with the dates of such receipt and re-
30 moval, from whom received, and by whom removed, and
31 which statement and record shall contain such other facts and
32 information as may be prescribed from time to time by the
33 Commissioner of Internal Revenue; and it shall be the duty
34 of such officer to file with the collector of the district, monthly,
35 a copy of such statement. It shall be the duty of such officer
36 to mark or stamp clearly and legibly on each and every pack-
37 age which may be in any such inspection or other warehouse,
38 on the day upon which he shall enter upon the discharge of
39 his duties, the words "subject to United States excise," with
40 the date of affixing such stamp, and he shall, in like manner,
41 stamp or mark each and every other package which may at
42 any time thereafter be brought to said inspection or ware-
43 house, adding thereto the date of the day on which it shall
44 have been received; and it shall be the further duty of such
45 officer to mark or stamp each and every package which shall
46 leave or be at any time removed from any such inspection or
47 warehouse, the date of such removal, and to designate by
48 proper marks and characters whether the same be taken for
49 consumption, export, or for removal to another bonded ware-
50 house. If the same be taken for consumption, he shall

51 mark it "taken for consumption, excise tax paid." If the
 52 same be taken for export, he shall mark it "taken for export
 53 to on ship ;" and if shipped to
 54 another bonded warehouse in any other place within the
 55 United States, he shall mark it "shipped to
 56 under United States bond." And it shall be the duty of any
 57 proprietor of any inspection or ware house to make out and
 58 transmit to the Commissioner of Internal Revenue monthly
 59 a just and true statement and return of every hogshead,
 60 tierce, barrel, bale, case, or other package of leaf tobacco
 61 which shall have been received at or removed from such
 62 inspection or ware house during said month, from whom
 63 received, and to whom and for what purpose shipped, and
 64 which statement shall be in such form and shall contain such
 65 other statements as the Commissioner of Internal Revenue
 66 shall from time to time require, and which statement shall be
 67 properly verified as such Commissioner may by regulation
 68 appoint. The tax hereinafter provided for on all tobacco
 69 stored in such inspection or ware house shall be paid before
 70 it is removed from such inspection or ware house, unless
 71 removed in pursuance of this act.

1 SEC. 5. *And be it further enacted,* That any fit and
 2 proper person, firm, company, or corporation, who may at
 3 any time after the passage of this act desire to enter into or
 4 upon the business of storing leaf tobacco for others, and who

5 shall provide at his or their own expense fit and proper
6 building or buildings for such purpose, or any person who,
7 being the owner of any leaf tobacco, may desire to store the
8 same upon his own premises, if the same shall be a fit and
9 proper place, may obtain a permit and license for such pur-
10 pose by making application to the Commissioner of Internal
11 Revenue, in conformity with such regulations as the Secretary
12 of the Treasury may prescribe, and such warehouse, when
13 approved by the Collector, and such security as may be
14 required by the Secretary of the Treasury shall have been
15 given, is hereby declared a bonded warehouse of the United
16 States, and shall be used only for storing leaf tobacco; and
17 the tax on all such tobacco stored in such warehouse shall be
18 paid before it is removed from such warehouse, unless re-
19 moved in pursuance of law, which said warehouse shall be
20 under the charge of an officer appointed by the Secretary of
21 the Treasury, as is provided for in the foregoing section, and
22 whose duties shall be as therein prescribed, and the salary of
23 which officer shall be paid as therein mentioned. And every
24 such proprietor of any such bonded warehouse shall make
25 the monthly return as is provided for in the foregoing
26 section.

1 SEC. 6. *And be it further enacted,* That the expense
2 of providing and maintaining the officer appointed by the
3 Secretary of the Treasury for the purpose of overseeing any

4 such warehouse as is provided for in this act shall be paid by
5 the proprietor of such warehouse to the collector of the dis-
6 trict in monthly payments.

1 SEC. 7. *And be it further enacted,* That all leaf tobacco
2 upon which an excise tax is imposed by law, may, after being
3 properly marked according to the provisions of this act, be
4 removed without payment of the tax, under such rules and
5 regulations, and upon the execution of such transportation
6 bonds or other security as the Secretary of the Treasury may
7 prescribe, to any other bonded warehouse used exclusively for
8 the storage of tobacco. And after the arrival of such tobacco
9 at the bonded warehouse within the district of the collector
10 to which it has been transferred, it shall be again marked by
11 proper characters, showing the date of its arrival at such
12 bonded warehouse. And shall be in charge of a proper
13 officer, to be designated as aforesaid by the Secretary of the
14 Treasury, who, with owner and proprietor of the warehouse,
15 shall have the joint custody of all the tobacco so stored in
16 said warehouse, which shall be at the risk of the owner of
17 the said tobacco. And all labor on the same shall be per-
18 formed by the owner or proprietor of the warehouse under
19 the supervision of the officer in charge of the same, and at
20 the expense of said owner or proprietor of the warehouse.

1 SEC. 8. *And be it further enacted,* That any person,
2 firm, company, or corporation, who may at the time of the

3 passage of this act, or who shall at any time hereafter have
4 in his or their possession any leaf tobacco which he or they
5 may have produced or grown, or which he or they shall
6 hereafter produce or grow, may prize, pack, and prepare the
7 same for market on his or their own premises, and he or they
8 may sell and dispose of such tobacco without the payment
9 of any tax or duty thereon within nine months after the
10 same shall have been so produced and grown; such sale to
11 be made whilst said tobacco shall remain on the premises
12 where the same shall have been produced or grown, or such
13 person or persons may, without a sale of such tobacco, ship
14 the same in his or their own name to any place within the United
15 States for sale or for shipment to a foreign country; or he
16 or they may, within nine months after any such tobacco
17 shall have been produced or grown, in like manner sell his
18 or their tobacco, on his or their premises, to any person or
19 persons for the purpose of having it packed, prized, stemmed,
20 or otherwise prepared for market, in which latter case said
21 tobacco may be removed from the premises where grown or
22 produced, without payment of the tax, to a packing-house or
23 stemmery; but in no case shall any such person or persons
24 be permitted to manufacture any such tobacco, either them-
25 selves or through others, or remove or dispose of the same
26 to be so manufactured until the same shall have been first

27 stored in a bonded warehouse, and the same shall have been
28 marked as provided for in this act.

1 SEC. 9. *And be it further enacted*, That it shall be the
2 duty of any person, firm, company, or corporation, who
3 shall purchase or receive any leaf tobacco from any person or
4 persons who shall have grown or produced the same, or from
5 any other person or persons whomsoever, if the same shall
6 at the time it be so purchased or received, prized, and packed
7 on the premises of the person or persons so producing, grow-
8 ing, or selling the same, at once and before in any way dis-
9 posing of the same, to remove, or cause the same to be re-
10 moved to and placed in a bonded warehouse, to be marked
11 as provided for in this act; but if said tobacco, when so pur-
12 chased or received, shall be loose and not prized or packed,
13 such person or persons are at liberty, without payment of
14 any tax or duty thereon, to remove the same to a packing-
15 house or stemmery for the purpose of having the same prized,
16 stemmed, and packed, but for no other purpose; and which
17 said tobacco shall, as soon as the same is so prized, stemmed,
18 and packed, be removed to and placed in a bonded ware-
19 house, provided for in this act, to the end that the same may
20 be marked or stamped, and become subject to the tax hereby
21 imposed. But in no case shall any such person or persons
22 manufacture by themselves, or cause to be manufactured by
23 others, either into cigars, chewing, cutting, or smoking to-

24 bacco, or snuff, or into any other form any leaf tobacco,
25 except said tobacco shall have first been placed in a bonded
26 warehouse and the tax thereon shall have been paid.

1 SEC. 10. *And be it further enacted,* That any person
2 or persons who shall or may have any leaf tobacco stored
3 in any bonded warehouse, may inspect and draw samples, or
4 cause said tobacco to be inspected and sampled, and which
5 samples he or they may take and remove to his or their
6 place of business, upon obtaining from the assistant assessor
7 of said collection district a permit for such removal of said
8 samples, and upon paying the duty or tax which shall be
9 imposed upon such samples, after the same shall have been
10 properly weighed and the quantity thereof ascertained.

1 SEC. 11. *And be it further enacted,* That any person
2 or persons who may desire to remove out of a bonded ware-
3 house any tobacco belonging to him or them, or of which he
4 or they may be the consignee or consignees, either for con-
5 sumption or for shipment to a foreign country, shall make
6 an application to the assessor of said assessment district for
7 such purpose, and shall state in such application the quantity
8 and number of packages he or they may desire to remove,
9 and for what purpose, whether for shipment or consumption,
10 such removal is desired. And it shall be the duty of such
11 assessor on receiving said application, in case the same is to
12 be removed for consumption or for shipment to a foreign

13 country, to have said tobacco, so desired to be removed,
14 weighed, and he shall ascertain the net weight thereof, on
15 which amount said assessor shall levy the tax for each and
16 every pound of tobacco so desired to be removed; and on
17 payment of said tax, said assessor shall issue his order to the
18 officer in charge of said bonded warehouse for the delivery
19 of such tobacco; but always provided that all the expense
20 for weighing, removing, and all other charges incident there
21 to, shall be paid by the owner or owners of said tobacco.

1 SEC. 12. *And be it further enacted,* That any person
2 or persons who shall make an application for the removal of
3 any tobacco for shipment to a foreign country be, and he is
4 hereby, required to state, in his application for removal of
5 any tobacco for such purpose, the name of the vessel in which
6 he intends to ship said tobacco, and to what particular place
7 the same is to be sent or shipped, and shall also give a bond
8 in such form and with such sureties as the Secretary of the
9 Treasury may prescribe, conditioned among other things
10 that said tobacco shall be so shipped, and shall produce such
11 evidence of such shipment as the Secretary of the Treasury
12 may by regulations provide, and the said shipment shall be
13 made under the same rules and regulations as now exist in
14 respect to exporting foreign merchandise in bond. And it is
15 further provided that such person or persons shall also obtain
16 from the assessor a duplicate receipt of the payment of said

17 tax on such tobacco, and which receipt shall be annexed to
18 the clearance at the custom house, under regulations pre-
19 scribed by the Secretary of the Treasury.

1 SEC. 13. *And be it further enacted,* That any person or
2 persons who may wish to remove his or their tobacco from
3 one bonded warehouse to another bonded warehouse situated
4 in another place shall make an application in writing for such
5 purpose to the assessor of said collection district, stating as
6 well the quantity he so desires to remove as the place to
7 which the same is to be removed, and the removal of the
8 same shall be allowed and ordered by said assessor upon such
9 terms and under such regulations and upon the giving of such
10 bond with sureties as the Secretary of the Treasury may by
11 regulations prescribe and direct.

1 SEC. 14. *And be it further enacted,* That any person or
2 persons who shall have any leaf tobacco in any bonded
3 warehouse, and who may desire to have the form of the
4 package in which said tobacco is contained changed into
5 bales for the purpose of exporting the same shall make
6 application for such purpose to the assessor of the district,
7 which application shall be verified by his oath. And upon
8 giving such security as shall be required by the regulations
9 to be made for the purpose shall be allowed to remove said
10 tobacco to the place where their machinery for so packing
11 the same shall be situated, and which place, to which said

12 tobacco shall be removed and be repacked, shall for the
13 purposes of this act be considered a bonded warehouse, and
14 shall be under the supervision of an officer appointed for the
15 purpose by the Secretary of the Treasury. And in which
16 place said tobacco may be removed from its original package
17 and pressed in bales, and the shipment of the same shall be
18 made after the payment of all taxes thereon, subject to and
19 in pursuance of the regulations in regard to tobacco shipped
20 to foreign ports.

1 SEC. 15. *And be it further enacted,* That all tobacco
2 of American product which shall be reimported into the
3 United States shall be placed immediately after landing in a
4 bonded warehouse for the receipt of tobacco, and shall be
5 subject to all taxes imposed upon leaf tobacco by this act, in
6 the same manner as though the same had never been
7 exported.

1 SEC. 16. *And be it further enacted,* That there shall be
2 assessed on all leaf tobacco within the United States on the
3 day of the passage of this act, or which may hereafter be
4 grown or produced or be brought therein, and the same shall
5 pay a tax as follows: All leaf tobacco with the stems
6 thereon, a tax of thirty cents per pound; all leaf tobacco with
7 the stems taken out, and known by the name of strips, a tax
8 of forty cents per pound; and all stems, without any leaf, a
9 tax of ten cents per pound. And it is further provided that

10 all leaf tobacco, strips, or stems which shall be removed from
11 the warehouse, for the purpose of being exported or sent to a
12 foreign country, shall be entitled to a drawback or deduction
13 of sixty per centum of the above-named tax, to be assessed
14 by the assessor and collected by the collector in whose district
15 the person or persons who shall make the application for
16 removal shall reside, in the manner provided for by law for
17 collection of taxes and duties, unless herein otherwise
18 provided for.

1 SEC. 17. *And be it further enacted,* That any person
2 or persons who shall export any manufactured, chewing,
3 smoking, or fine-cut tobacco or snuff, may, previous to ex-
4 porting the same, make an application to the assessor of his
5 collection district, in which he shall state the number of
6 packages and the quantity he may wish to export, and the
7 kind thereof, whether the same be chewing, smoking, or
8 fine-cut tobacco, and by what vessel and to what port the
9 same is to be shipped. It shall be the duty of such assessor
10 to inspect and ascertain the net weight of said tobacco, and
11 said assessor shall make a certificate of such weight, and
12 shall state therein the name of the vessel by which the same
13 has been exported and the destination thereof; whereupon
14 the owner of said tobacco, so shipped, shall be entitled to a
15 drawback of twenty-five cents per pound for every pound of
16 such manufactured tobacco he shall so have shipped to a

17 foreign port, evidence of the shipment of said tobacco to be
18 furnished by such owner in such form, and the same to be
19 shipped in such way and under such regulations as the Sec-
20 retary of the Treasury may by rules prescribe.

1 SEC. 18. *And be it further enacted,* That any person,
2 firm, company, or corporation who shall fail or neglect to
3 make a correct statement and return of the leaf tobacco
4 owned by him or them, or in his or their possession, or under
5 his or their control, as is provided for in this act, shall forfeit
6 and pay a penalty of cents per pound for all the
7 tobacco so owned by him or them, or in his or their posses-
8 sion, or under his or their control. And any person who shall
9 sell and deliver, or deliver or part with the possession of such
10 tobacco, in violation of this act, upon which the tax hereby
11 imposed has not been paid, shall forfeit the sum of
12 cents per pound for every pound of tobacco so sold and de-
13 livered, or parted with as aforesaid; and the said tobacco
14 shall be liable to seizure and forfeiture. In addition to the
15 above penalties, the party or parties so offending shall be
16 liable to imprisonment for a term not exceeding one year.
17 And any person who shall purchase and receive, or take into
18 his possession, any leaf tobacco upon which the tax hereby
19 imposed is not paid, unless in the manner and for the pur-
20 poses in this act mentioned, shall be liable to a penalty of

21 cents per pound for each and every pound of tobacco
22 so received or taken into his possession.

1 SEC. 19. *And be it further enacted*, That all laws im-
2 posing any tax or duty on smoking, chewing, and fine-cut
3 tobacco, snuff, cigars, or other description of manufactured
4 tobacco, are hereby repealed.

1 SEC. 20. *And be it further enacted*, That the Secretary
2 of the Treasury is hereby authorized, directed, and empow-
3 ered to make all the necessary arrangements, orders, and
4 directions to carry into force and effect this act and the vari-
5 ous provisions thereof, including inspection, according to the
6 true intent and meaning thereof, to the end that the tax
7 hereby imposed upon leaf tobacco may be levied and col-
8 lected.